

## LICENSING SUPPLEMENTAL REPORT

DATE: December 7, 2021

SUBJECT: Application No. 21-22955 from Paradise Ciders LLC dba Paradise Ciders, for a Small Craft Producer Pub (Category 2-Music/Dancing) license, at 95-221 Kipapa Drive, Suite C-1, Mililani (former location of Matsuda Bros., LLC dba The Mill Bar & Grill, Restaurant General, Category 2-Music/Dancing license (R1019-Expired 6/30/16)).

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### BACKGROUND:

The aforementioned application (No. 21-22955) was heard before the Commission Board for its preliminary hearing on October 14, 2021, for a **Small Craft Producer Pub (Category 2-Music/Dancing) license**.

This is the second application for a “**Second Location or Satellite**” under the same name and new license under Paradise Ciders LLC dba Paradise Ciders. Its original location at 2003 Colburn Street was recently approved for a change of class from **Manufacturer to Small Craft Producer Pub (Category 2-Music/Dancing) license (S0008)**.

### COMMISSION REQUESTED THE FOLLOWING ISSUES TO BE RESOLVED:

On November 5, 2021, the applicant filed “**amendments**” explaining his response to the Hawaii Revised Statutes (**HRS**), Federal Alcohol Administration Act, Rules of the Liquor Commission, and Issues pertaining to applicant’s business plans and lease.

**SEE Exhibits A1 through A4.**

#### **ISSUE #1. THIS APPLICATION CONFLICT WITH HRS:**

According to the applicant’s business plan that they will not be Manufacturing at the proposed Small craft producer pub licensed premises. The applicant’s member Kasey Sulheim, stated that they did not intend to produce any liquor at the proposed licensed location.

On November 5, 2021, Sulheim submitted a written response to the Commission. The document stated that the applicant has adjusted their business plan to produce alcohol at this location and they have designated space on the mezzanine level. (Refer to **Exhibit A1**)

ISSUE #2. THIS APPLICATION CONFLICTS WITH FEDERAL ALCOHOL ADMINISTRATION ACT: Applicant has informed HLC staff that **he will not** be applying for a Federal Basic Permit for this location of their proposed premises.

In the same written response to the Commission, Sulheim stated that they Applied for the Federal Tax and Trade Bureau (TTB) Federal Basic Permit (Refer to **Exhibit A2**)

ISSUE #3. THIS TYPE OF APPLICATION IS NOT APPROVED BY THE LANDLORD FOR THE PERMITTED USE OF A SMALL CRAFT PRODUCER PUB:

According to the applicant's lease by Mililani Shopping Center, LLC, the applicant use of the premises may only be as a restaurant and bar specializing in ciders and BBQ, and for no other use or purposes.

Sulheim submitted a first Amendment to Lease. Landlord gives consent for Small Craft Producer Pub. (Refer to **Exhibit A3**)

ISSUE #4. UNDISCLOSED INTEREST & AFFILIATION:

According to the lease, the applicant has subleased a portion of the proposed premises to another entity that was not reported during this investigation. HI Sliders LLC, a Hawaii Limited Liability company as the "Subtenant" pursuant to a Commercial Sublease Agreement.

In the same written response to the Commission, Sulheim stated that for the undisclosed interest and affiliation, to "please refer to submitted page 8 & #44 of the sublease agreement that states to have financial interest, partnership or affiliation to sublessee. The sublease allows HI Sliders the ability to serve food to our customers as well as outside patrons. Their employees will not touch alcohol or our registers. They use their own payment system and keep separate records. They have no ownership or interest in Paradise Ciders LLC." (Refer to **Exhibit A4**)


**Note:** There appears to be no changes to issue #4, regarding HI Sliders LLC (Subtenant) as far as splitting (50/50) the base rent, utilities, other charges, including the general excise tax under the applicant's master lease. The subtenant will also submit sales reports every month, combining the total of the applicant. The indicated use additionally will be that the subtenant will provide food service to the applicant via the food truck.

Pursuant to Rules of the Liquor Commission §3-83-53.1.(a)(I)(xi)(xii), applicant did not disclose the complete financial condition of the business, as required by the Liquor Commission rules with regards to HI Sliders LLC.

Also, this may present a conflict with Pursuant to §3-81-17.54. Gross Sales Report (d) **All Licenses**, except transient vessel (per day), special, and bring-your-own beverages, **shall produce within three (3) calendar days for Commission inspection books or records showing all income, purchases and expenses of their liquor licensed business.**

  
Homer Tamapua  
Licensing Investigator

Reviewed by:

  
Daniel Sato  
Supervising Investigator *dh*

Dear Honolulu Liquor Commission,

Attached are amendments to our application along with explanations for all of our investigator reports issues.

1. "This application conflicts with HRS". We have adjusted our business plan to produce alcohol at this location. We have designated space on our mezzanine level for this. This should bring us into compliance with HRS.
2. "This application conflicts with Federal Alcohol Administration Act, applicant will not be applying for a federal basic permit for this location of their proposed premise" We have applied for our permit and our application has been provided in our application amendments folder.
3. "This type of application is not approved by the landlord for permitted use for a small craft producer". Please find amended lease agreement stating that we are permitted to use premise for small craft producer.
4. "Undisclosed interest and affiliation" Please refer to section 44 of sublease agreement that states we have to financial interest, partnership or affiliation to sublessee. The sublease allows HI Sliders the ability to serve food to our customers as well as outside patrons. Their employees will not touch alcohol or our registers. They use their own payment system and keep separate records. They have no ownership or interest in Paradise Ciders LLC.

Thank you for your consideration and allowing us to amend our application in order to be compliant and for the opportunity to further explain our business plan in more detail. Please feel free to ask any questions.

Sincerely,  
Kasey Sulheim  
Founder/Owner  
Paradise Ciders  
808-753-7330

## Industry Member Information

Report Date: 10/29/2021 5:27:11PM

Original Application 10/19/2021  
Submitted Date

Original Application Tracking Number 2021-WINE-01321-O  
Application Type Application for Winery Operations  
Application Status Review in Process  
EIN  
Company Name Paradise Ciders LLC  
Premises Address 95221 KIPAPA DR UNIT C-1  
MILILANI, HONOLULU HI 96789  
Premise Contact Name  
Premise Phone Number

### Application Contact

Full Name Kasey Sulheim  
Business Name  
Address/City/State/Zip  
Phone/Fax  
Email

### Mailing Address

Full Name Kasey Sulheim  
Business Name  
Address/City/State/Zip  
Phone/Fax  
Email

### APPLICATION TYPE

Bonded Winery - Full Operations CHECKED

### DBA/OPERATING NAME

Doing Business As / Operating Name Paradise Ciders

By checking this box I certify that the Doing Business As / Operating Name listed above has been registered with my county or state, if applicable CHECKED

### DECLARE AND ACKNOWLEDGE

EXHIBIT A2

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LIQUOR COMMISSION  
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I declare under penalties of perjury under the laws of the United States of America, that I have examined this application, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete.

CHECKED

Declaration Date

10/19/2021

**ENTITY INFORMATION**

Business Name

Paradise Ciders LLC

EIN

**OWNER BACKGROUND INFORMATION**

Has any shareholder with more than 10% voting stock, sole owner, general partner, LLC member/manager, or corporate officer or director voting stock ever been denied a permit, license, or other authorization to engage in any business to manufacture, distribute, import, sell, or use alcohol products (beverage or non-beverage) by any government agency (federal, state, local, or foreign) or had such a permit, license, or other authorization revoked, suspended, or otherwise terminated? No

Has any shareholder with more than 10% voting stock, sole owner, general partner, LLC member/manager, or corporate officer or director ever been arrested for, charged with, or convicted of any crime under federal, state, or foreign laws other than traffic violations or convictions that are not felonies under federal or state law? Yes

If yes, provide details of each event, including dates, places, and final disposition.

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**REASON FOR THE APPLICATION**

New winery

CHECKED

**WINERY INFORMATION**

Describe your proposed operation and/or production process

Production is intended to be a very small scale using 5 gal carboys (home brew type equipment). These small batches will be made on a mezzanine floor of a bar/restaurant and intended to be served directly to the customers when finished. Our local liquor licensing department requires us to manufacture at this location. There are no minimums required. Therefore the intention of our manufacturing here is to be in compliance with local liquor laws. We do not intend to engage in any large scale production or distribution from this location.

List the types of products you plan to produce/store, including alcohol content

cider, 5-15%

Total number of gallons you anticipate producing/storing each year

60

EXHIBIT A2

I certify that I AM NOT required to provide a bond

CHECKED

Describe the entire tract of land by using directions and distances in feet and inches

95-221 Kipapa Dr is a strip mall style building construction. We rent a space of 2440 sq ft. The building services other retail businesses such as but not limited to, grocery store, gym, food vendors, salon. Building is one story tall. Has multiple parking spaces shared by all businesses. Building is approximately one city block long.

Describe each wine premises building: provide size (using distances and directions), construction, use of building, and location of doors and windows

Premise is unit C-1 of the building. 2440 sq ft with a proposed mezzanine inside the unit of 600sq ft. The building has poured concrete floors. Brick, wood and steel construction. Unit is irregular in shape. Measuring from NE most corner directly S the perimeter wall measures 44'. From same NE corner measuring directly W perimeter wall measures 45'. From this corner turning directly W wall measures 15'. Turning approximately 115 degrees SE wall measuring 30'. Turning 90 degrees NE wall measures 54'. This completes the perimeter of our unit. The mezzanine is located in the SW corner of the unit. This is where the licensed premise for production will be. There is a 300sq ft patio on both the front and rear of the unit.

Describe the wine premises security

Mall security is provided. Wine premise will be located behind a single locked door only accessible by management and staff. Unit will also have cameras.

Is your winery in a residential building?

No

Describe where and how any taxpaid wine will be stored and identified

no taxpaid storage

Will you be alternating?

No

Describe any part of your process that will include the addition of spirits

none

Describe any other operations, if any, that will take place on the premises and what type of equipment will be used

none

If you are producing a volatile fruit-flavor concentrate provide a step by step description of your process.

none

If you are applying as a bonded wine cellar or taxpaid wine bottling house, may TTB identify you as such to the general public upon request?

Not Applicable

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#### REQUIRED DOCUMENT CHECKLIST

Document Type	Diagram
Method of Submission	Uploaded
Document Received	UNCHECKED
Document Type	Lease Agreement or Proof of Property Ownership
Method of Submission	Uploaded
Document Received	undefined

EXHIBIT A2

**FIRST AMENDMENT TO LEASE  
(Mililani Shopping Center)**

THIS FIRST AMENDMENT TO LEASE (this "**Amendment**") is dated November 11/4/2021 | 12:40 PM PD 2021 (the "**Effective Date**"), by and between Mililani Shopping Center, LLC, a Delaware limited liability company ("**Landlord**"), and Paradise Ciders LLC, a Hawaii limited liability company, ("**Tenant**").

**RECITALS**

This Amendment is entered into with reference to the following facts:

- A. Landlord and Tenant are the current parties under that certain Mililani Shopping Center Space Lease dated January 6, 2021 (the "**Lease**"). The premises currently covered by the Lease is located at Mililani Shopping Center, Suite C-1, Mililani, Hawaii, containing approximately 2,440 leasable square feet (the "**Premises**"), as more particularly described in the Lease.
- B. The performance of Tenant's Obligations under the Lease is guaranteed by Kasey Sulheim and Shaun Peck as Guarantors under that certain Lease Guaranty dated January 6, 2021 (the "**Guaranty**").
- C. Landlord and Tenant now desire to amend and modify the Lease as hereinafter set forth in this Amendment.

**AGREEMENT**

In consideration of their mutual covenants and agreements contained in this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, Landlord and Tenant hereby agree:

- 1. **RECITALS AND DEFINITIONS.** Landlord and Tenant incorporate the above recitals into this Amendment and affirm such recitals are true and correct. All capitalized terms used in this Amendment, unless specifically defined herein, have the same meanings attributed to them in the Lease.
- 2. **NO FURTHER AMENDMENTS.** Except as amended by this Amendment, the Lease remains unchanged and in full force and effect. If there is any conflict between the provisions of the Lease and the provisions of this Amendment, the provisions of this Amendment shall control.
- 3. **BINDING EFFECT.** Landlord and Tenant shall have no rights with respect to this Amendment unless and until Landlord and Tenant have both executed this Amendment.
- 4. **RULE OF CONSTRUCTION.** Landlord and Tenant acknowledge they and, if they so choose, their respective counsel have reviewed and revised this Amendment and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of the Lease, this Amendment or any exhibits, attachments and addenda to the Lease and/or this Amendment.



5. **PERMITTED USE.** Tenant's Permitted Use as defined in Part A of the Lease is hereby deleted in its entirety and replaced with the following:

**"Permitted Use:** Tenant may operate as a small craft producer within the Premises and the Premises may be used as a restaurant and bar specializing in ciders and BBQ, and for no other use or purpose. In no event shall Tenant cause Landlord to violate any of the exclusive uses granted to other tenants in the Project as shown in Exhibit E."

6. **CERTIFICATION.** As an essential inducement to Landlord to execute this Amendment, Tenant hereby certifies and warrants to and agrees with Landlord that (a) no event of default by Landlord under the Lease exists as of the date hereof, nor has any event occurred which, with the passage of time or the giving of notice, or both, would constitute an event of default, (b) Landlord is not in any manner in default in the performance or observance of any obligation or duty owed to Tenant, under the Lease or otherwise, and (c) Tenant has no defenses, offsets, claims or counterclaims to the observance and performance by Tenant of any provision of the Lease or this Amendment, or, if any such defenses, offsets, claims or counterclaims exist, they are hereby forever waived, released and settled in consideration of this Amendment.
7. **CONFIDENTIALITY.** The parties acknowledge that the contents of this Amendment are confidential information. Both parties agree to keep such information strictly confidential and shall not disclose such confidential information to any person or entity other than the disclosing party's real estate, legal, accounting and financial representatives or consultants, or as otherwise required by law. Notwithstanding anything to the contrary herein, the parties may include the financial terms of this Amendment in an aggregate amount disclosed in an announcement of financial information to third parties or to the public.
8. **BROKERS.** Landlord and Tenant represent and warrant to the other that they have not had any dealings with any real estate brokers or agents in connection with the negotiation of this Amendment. Each party agrees to indemnify and hold the other harmless from and against any and all liability and cost that the indemnified party may suffer in connection with any real estate brokers claiming by, through, or under the indemnifying party seeking any commission, fee or payment in connection with this Amendment.
9. **COUNTERPARTS.** This Amendment may be executed in multiple counterparts, each of which taken together shall constitute one and the same agreement binding upon the parties.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the Effective Date.

**LANDLORD:**

**MILILANI SHOPPING CENTER, LLC,**  
a Delaware limited liability company

By: **MIG Real Estate, LLC,**  
a Delaware limited liability company  
its Manager

DocuSigned by:  
By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TENANT:**

**PARADISE CIDERS LLC,**  
a Hawaii limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**GUARANTORS:**

The undersigned Guarantors hereby confirm and reaffirm Guarantors' obligations under that certain Lease Guaranty dated January 6, 2021, with regard to the Lease, as amended by this Amendment.

\_\_\_\_\_  
**KASEY SULHEIM**

\_\_\_\_\_  
**SHAUN PECK**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the Effective Date.

**LANDLORD:**

MILILANI SHOPPING CENTER, LLC,  
a Delaware limited liability company

By: MIG Real Estate, LLC,  
a Delaware limited liability company  
its Manager

By  
Name:  
Title:

**TENANT:**

PARADISE CIDERS LLC,  
a Hawaii limited liability company

By:  
Name: KASEY SULHEIM  
Title: LLC MEMBER

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LIQUOR COMMISSION  
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**GUARANTORS:**

The undersigned Guarantors hereby confirm and reaffirm Guarantors' obligations under that certain Lease Guaranty dated January 6, 2021, with regard to the Lease, as amended by this Amendment.

KASEY SULHEIM

SITIAUN PECK

Words in the masculine include the feminine and vice versa. The words "Sublandlord" and "Subtenant" as used in this Sublease include the plural as well as the singular; no regard for gender is intended by the language in this Sublease.

42. This Sublease may be executed in counterparts.

43. Time is of the essence in this Sublease.

44. The Sublandlord and the Subtenant have no interest or other rights of ownership in each other. The parties to this Sublease are not agents for each other. Under no circumstances will this Sublease be construed as creating a partnership or joint venture between the parties to this Sublease.

45. Each signatory to this Sublease acknowledges receipt of an executed copy of this Sublease.

46. This Sublease will not be valid and binding on the Sublandlord and Subtenant unless and until it has been completely executed by and delivered to both parties and the Landlord has consented to this Sublease.

IN WITNESS WHEREOF the Sublandlord and the Subtenant have duly affixed their signatures under hand and seal on this 29<sup>th</sup> day of DECEMBER, 2020.

**SUBLANDLORD:**

**PARADISE CIDERS LLC,**  
a Hawaii limited liability company

By \_\_\_\_\_  
Name: KASEY SVLHEIM  
Title: LLC MEMBER  
Date: 12/29/20

By \_\_\_\_\_  
Name: SHAWN PECK  
Title: LLC member  
Date: 12/29/20

**SUBTENANT:**

**HI SLIDERS, LLC**  
a Hawaii limited liability company

By \_\_\_\_\_  
Name: [Signature]  
Title: OWNER  
Date: 12-29-2020

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LIQUOR COMMISSION  
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2021 NOV - 5 A 11:51

Dear Honolulu Liquor Commission,

Attached are amendments to our application along with explanations for all of our investigator reports issues.

1. "This application conflicts with HRS". We have adjusted our business plan to produce alcohol at this location. We have designated space on our mezzanine level for this. This should bring us into compliance with HRS.
2. "This application conflicts with Federal Alcohol Administration Act, applicant will not be applying for a federal basic permit for this location of their proposed premise" We have applied for our permit and our application has been provided in our application amendments folder.
3. "This type of application is not approved by the landlord for permitted use for a small craft producer". Please find amended lease agreement stating that we are permitted to use premise for small craft producer.
4. "Undisclosed interest and affiliation" Please refer to section 44 of sublease agreement that states we have to financial interest, partnership or affiliation to sublessee. The sublease allows HI Sliders the ability to serve food to our customers as well as outside patrons. Their employees will not touch alcohol or our registers. They use their own payment system and keep separate records. They have no ownership or interest in Paradise Ciders LLC.

Thank you for your consideration and allowing us to amend our application in order to be compliant and for the opportunity to further explain our business plan in more detail. Please feel free to ask any questions.

Sincerely,  
Kasey Sulheim  
Founder/Owner  
Paradise Ciders  
808-753-7330

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## Industry Member Information

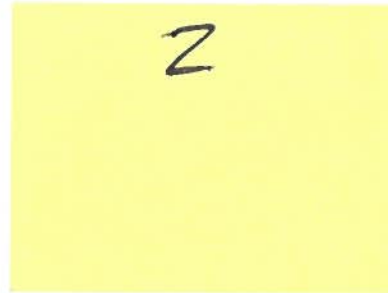
Report Date: 10/29/2021 5:27:11PM

Original Application 10/19/2021  
Submitted Date

**Original Application Tracking Number** 2021-WINE-01321-O  
**Application Type** Application for Winery Operations  
**Application Status** Review in Process  
**EIN** 47-5610474  
**Company Name** Paradise Ciders LLC  
**Premises Address** 95221 KIPAPA DR UNIT C-1  
MILILANI, HONOLULU HI 96789  
**Premise Contact Name**  
**Premise Phone Number**

### Application Contact

**Full Name** Kasey Sulheim  
**Business Name**  
**Address/City/State/Zip** 1482 Akeakamai Street  
Honolulu HI 96816  
**Phone/Fax** 808-75-3-73/--  
**Email** paradiseciders@gmail.com



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### Mailing Address

**Full Name** Kasey Sulheim  
**Business Name**  
**Address/City/State/Zip** 1482 Akeakamai Street  
Honolulu HI 96816  
**Phone/Fax** 808-75-3-73/--  
**Email** paradiseciders@gmail.com

### APPLICATION TYPE

Bonded Winery - Full Operations CHECKED

### DBA/OPERATING NAME

Doing Business As / Operating Name Paradise Ciders

By checking this box I certify that the Doing Business As / Operating Name listed above has been registered with my county or state, if applicable CHECKED

### DECLARE AND ACKNOWLEDGE

I declare under penalties of perjury under the laws of the United States of America, that I have examined this application, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete.

CHECKED

Declaration Date

10/19/2021

**ENTITY INFORMATION**

Business Name

Paradise Ciders LLC

EIN

47-5610474

**OWNER BACKGROUND INFORMATION**

Has any shareholder with more than 10% voting stock, sole owner, general partner, LLC member/manager, or corporate officer or director voting stock ever been denied a permit, license, or other authorization to engage in any business to manufacture, distribute, import, sell, or use alcohol products (beverage or non-beverage) by any government agency (federal, state, local, or foreign) or had such a permit, license, or other authorization revoked, suspended, or otherwise terminated?

No

Has any shareholder with more than 10% voting stock, sole owner, general partner, LLC member/manager, or corporate officer or director ever been arrested for, charged with, or convicted of any crime under federal, state, or foreign laws other than traffic violations or convictions that are not felonies under federal or state law?

Yes

If yes, provide details of each event, including dates, places, and final disposition.

Arrest of Shaun Peck, The \\\\"nature" of the arrests are both for theft of property under \$10.00 in value. the first was 01/09/06 and the second on 06/02/06. Fines paid were \$75 and \$50 respectively. There was no time served. No probation. They were both petty misdemeanors for theft under the amount of \$10

**REASON FOR THE APPLICATION**

New winery

CHECKED

**WINERY INFORMATION**

Describe your proposed operation and/or production process

Production is intended to be a very small scale using 5 gallon carboys (home brew type equipment). These small batches will be made on a mezzanine floor of a bar/restaurant and intended to be served directly to the customers when finished. Our local liquor licensing department requires us to manufacture at this location. There are no minimums required. Therefore the intention of our manufacturing here is to be in compliance with local liquor laws. We do not intend to engage in any large scale production or distribution from this location.

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cider, 5-15%

Total number of gallons you anticipate producing/storing each year

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I certify that I AM NOT required to provide a bond

CHECKED

Describe the entire tract of land by using directions and distances in feet and inches

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Describe each wine premises building: provide size (using distances and directions), construction, use of building, and location of doors and windows

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Mall security is provided. Wine premise will be located behind a single locked door only accessible by management and staff. Unit will also have cameras.

Is your winery in a residential building?

No

Describe where and how any taxpaid wine will be stored and identified

no taxpaid storage

Will you be alternating?

No

Describe any part of your process that will include the addition of spirits

none

Describe any other operations, if any, that will take place on the premises and what type of equipment will be used

none

If you are producing a volatile fruit-flavor concentrate provide a step by step description of your process.

none

If you are applying as a bonded wine cellar or taxpaid wine bottling house, may TTB identify you as such to the general public upon request?

Not Applicable

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## **REQUIRED DOCUMENT CHECKLIST**

Document Type	Diagram
Method of Submission	Uploaded
Document Received	UNCHECKED
Document Type	Lease Agreement or Proof of Property Ownership
Method of Submission	Uploaded
Document Received	undefined



3

FIRST AMENDMENT TO LEASE  
(Mililani Shopping Center)

THIS FIRST AMENDMENT TO LEASE (this "**Amendment**") is dated November 11/4/2021 | 12:40 PM PDT 2021 (the "**Effective Date**"), by and between Mililani Shopping Center, LLC, a Delaware limited liability company ("**Landlord**"), and Paradise Ciders LLC, a Hawaii limited liability company, ("**Tenant**").

RECITALS

This Amendment is entered into with reference to the following facts:

- A. Landlord and Tenant are the current parties under that certain Mililani Shopping Center Space Lease dated January 6, 2021 (the "**Lease**"). The premises currently covered by the Lease is located at Mililani Shopping Center, Suite C-1, Mililani, Hawaii, containing approximately 2,440 leasable square feet (the "**Premises**"), as more particularly described in the Lease.
- B. The performance of Tenant's Obligations under the Lease is guaranteed by Kasey Sulheim and Shaun Peck as Guarantors under that certain Lease Guaranty dated January 6, 2021 (the "**Guaranty**").
- C. Landlord and Tenant now desire to amend and modify the Lease as hereinafter set forth in this Amendment.

AGREEMENT

In consideration of their mutual covenants and agreements contained in this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, Landlord and Tenant hereby agree:

1. RECITALS AND DEFINITIONS. Landlord and Tenant incorporate the above recitals into this Amendment and affirm such recitals are true and correct. All capitalized terms used in this Amendment, unless specifically defined herein, have the same meanings attributed to them in the Lease.
2. NO FURTHER AMENDMENTS. Except as amended by this Amendment, the Lease remains unchanged and in full force and effect. If there is any conflict between the provisions of the Lease and the provisions of this Amendment, the provisions of this Amendment shall control.
3. BINDING EFFECT. Landlord and Tenant shall have no rights with respect to this Amendment unless and until Landlord and Tenant have both executed this Amendment.
4. RULE OF CONSTRUCTION. Landlord and Tenant acknowledge they and, if they so choose, their respective counsel have reviewed and revised this Amendment and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of the Lease, this Amendment or any exhibits, attachments and addenda to the Lease and/or this Amendment.

5. PERMITTED USE. Tenant's Permitted Use as defined in Part A of the Lease is hereby deleted in its entirety and replaced with the following:

**"Permitted Use:** Tenant may operate as a small craft producer within the Premises and the Premises may be used as a restaurant and bar specializing in ciders and BBQ, and for no other use or purpose. In no event shall Tenant cause Landlord to violate any of the exclusive uses granted to other tenants in the Project as shown in Exhibit F."

6. CERTIFICATION. As an essential inducement to Landlord to execute this Amendment, Tenant hereby certifies and warrants to and agrees with Landlord that (a) no event of default by Landlord under the Lease exists as of the date hereof, nor has any event occurred which, with the passage of time or the giving of notice, or both, would constitute an event of default, (b) Landlord is not in any manner in default in the performance or observance of any obligation or duty owed to Tenant, under the Lease or otherwise, and (c) Tenant has no defenses, offsets, claims or counterclaims to the observance and performance by Tenant of any provision of the Lease or this Amendment, or, if any such defenses, offsets, claims or counterclaims exist, they are hereby forever waived, released and settled in consideration of this Amendment.
7. CONFIDENTIALITY. The parties acknowledge that the contents of this Amendment are confidential information. Both parties agree to keep such information strictly confidential and shall not disclose such confidential information to any person or entity other than the disclosing party's real estate, legal, accounting and financial representatives or consultants, or as otherwise required by law. Notwithstanding anything to the contrary herein, the parties may include the financial terms of this Amendment in an aggregate amount disclosed in an announcement of financial information to third parties or to the public.
8. BROKERS. Landlord and Tenant represent and warrant to the other that they have not had any dealings with any real estate brokers or agents in connection with the negotiation of this Amendment. Each party agrees to indemnify and hold the other harmless from and against any and all liability and cost that the indemnified party may suffer in connection with any real estate brokers claiming by, through, or under the indemnifying party seeking any commission, fee or payment in connection with this Amendment.
9. COUNTERPARTS. This Amendment may be executed in multiple counterparts, each of which taken together shall constitute one and the same agreement binding upon the parties.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the Effective Date.

**LANDLORD:**


MILILANI SHOPPING CENTER, LLC,  
a Delaware limited liability company

By: MIG Real Estate, LLC,  
a Delaware limited liability company  
its Manager

By  
Name:  
Title:

**TENANT:**

PARADISE CIDERS LLC,  
a Hawaii limited liability company

By:   
Name: KASEY SULHEIM  
Title: LLC MEMBER

**GUARANTORS:**

The undersigned Guarantors hereby confirm and reaffirm Guarantors' obligations under that certain Lease Guaranty dated January 6, 2021, with regard to the Lease, as amended by this Amendment.

  
KASEY SULHEIM

  
SHAUN PECK

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the Effective Date.

**LANDLORD:**

MILILANI SHOPPING CENTER, LLC,  
a Delaware limited liability company

By: MIG Real Estate, LLC,  
a Delaware limited liability company  
its Manager

DocuSigned by:  
By Mike Englund  
Name: Mike Englund  
Title: COO

**TENANT:**

PARADISE CIDERS LLC,  
a Hawaii limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**GUARANTORS:**

The undersigned Guarantors hereby confirm and reaffirm Guarantors' obligations under that certain Lease Guaranty dated January 6, 2021, with regard to the Lease, as amended by this Amendment.

\_\_\_\_\_  
KASEY SULHEIM

\_\_\_\_\_  
SHAUN PECK

Words in the masculine include the feminine and vice versa. The words "Sublandlord" and "Subtenant" as used in this Sublease include the plural as well as the singular; no regard for gender is intended by the language in this Sublease.

42. This Sublease may be executed in counterparts.

43. Time is of the essence in this Sublease.

44. The Sublandlord and the Subtenant have no interest or other rights of ownership in each other. The parties to this Sublease are not agents for each other. Under no circumstances will this Sublease be construed as creating a partnership or joint venture between the parties to this Sublease.

45. Each signatory to this Sublease acknowledges receipt of an executed copy of this Sublease.

46. This Sublease will not be valid and binding on the Sublandlord and Subtenant unless and until it has been completely executed by and delivered to both parties and the Landlord has consented to this Sublease.

IN WITNESS WHEREOF the Sublandlord and the Subtenant have duly affixed their signatures under hand and seal on this 29<sup>th</sup> day of DECEMBER, 2020.

**SUBLANDLORD:**

**PARADISE CIDERS LLC,**  
a Hawaii limited liability company

By [Signature]  
Name: KASEY SVLHEIM  
Title: LLC MEMBER  
Date: 12/29/20

By [Signature]  
Name: SHAWN PECK  
Title: LLC member  
Date: 12/29/20

**SUBTENANT:**

**HI SLIDERS, LLC**  
a Hawaii limited liability company

By [Signature]  
Name: Dustin Pokrass  
Title: owner  
Date: 12-29-2020

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